

IOWA ETHICS AND CAMPAIGN DISCLOSURE BOARD

An Independent Agency of the Executive Branch

W. CHARLES SMITHSON
Executive Director
& Legal Counsel

510 East 12th, Suite 1A
Des Moines, Iowa 50319
Telephone 515-281-4028
Fax Line 515-281-4073
www.iowa.gov/ethics

BOARD MEMBERS:

James Albert, Chair
Gerald Sullivan
Betsy Roe
John Walsh
Patricia Harper
Saima Zafar

IOWA ETHICS AND CAMPAIGN DISCLOSURE BOARD MINUTES APRIL 30, 2009 OPEN SESSION

HELD AT: 510 East 12th, Jessie Parker Building, Des Moines, Iowa

BOARD MEMBERS PRESENT: James Albert, Janet Carl, Gerald Sullivan, Patricia Harper, Betsy Roe, and John Walsh

STAFF PRESENT: W. Charles Smithson, Karen Hudson, Meghan Van Wyk, and Sharon Wright

1. CALL TO ORDER – The meeting was called to order by Chair Albert at 12:06 p.m.
2. APPROVAL OF MINUTES FROM OCTOBER 23, 2008, DECEMBER 4, 2008, FEBRUARY 25, 2009, AND MARCH 19, 2009 – It was moved by Roe and seconded by Harper to approve the minutes. Motion carried.
3. ADJOURNMENT TO EXECUTIVE SESSION – At 12:08 p.m. it was moved by Sullivan and seconded by Carl that in accordance with the provisions of Iowa Code section 21.5, the Board will move into executive session to discuss complaints, investigations, and personnel matters. Any action taken in executive session will be disclosed upon return to open session. Motion carried unanimously in roll call vote.

The meeting returned to Open Session at 12:43 p.m.

4. ACTION FROM EXECUTIVE SESSION – It was moved by Roe and seconded by Walsh that the written record of executive session action be made a part of the open record. Motion carried.

The following executive session action was taken:

Leann Jacobson – It was moved by Roe and seconded by Walsh to defer pending payment of civil penalty. Motion carried.

Jerry Tlach – It was moved by Roe and seconded by Carl to issue a reprimand for failure to open a separate bank account. Motion carried.

Justin Shields/Alan Bernard – It was moved by Sullivan and seconded by Harper to grant an adjusting entry to Shields and issue a reprimand to Bernard for failure to maintain committee records as required by Iowa Code section 68A.203. Motion carried.

Terry Phillips/TK Phillips for Supervisor – It was moved by Roe and seconded by Walsh that the issue should be set down for hearing. Motion carried.

Michael Niffenegger – It was moved by Carl and seconded by Sullivan to issue a reprimand for failure to open a separate bank account. Motion carried.

Beth Bilyeu/Cerro Gordo Republicans – It was moved by Roe and seconded by Walsh to order an investigation into the failure to file an October report and subpoena records. Motion carried.

Tamara Scott – It was moved by Walsh and seconded by Harper to issue an admonishment for failure to provide bank statements and to exercise care in the future. Motion carried.

Ron George – It was moved by Walsh and seconded by Harper to issue a reprimand. Motion carried.

Cedar Valley Steel, Inc. – It was moved by Sullivan and seconded by Carl to issue a reprimand for failure to file a VSR. Motion carried.

Lincoln Strategies Group, LLC. – It was moved by Sullivan and seconded by Carl to issue a reprimand for failure to file a VSR. Motion carried.

Fifth Horseman PAC. – It was moved by Sullivan and seconded by Carl to issue a reprimand for failure to file a VSR. Motion carried.

Keep Hope Alive PAC. – It was moved by Sullivan and seconded by Carl to issue a reprimand for failure to file a VSR. Motion carried.

Friends of Barbara Hafer. – It was moved by Sullivan and seconded by Carl to issue a reprimand for failure to file a VSR. Motion carried.

HUPAC. – It was moved by Sullivan and seconded by Carl to issue a reprimand for failure to file a VSR. Motion carried.

John Hulsizer/Senate campaign – It was moved by Sullivan and seconded by Walsh to issue a reprimand, issue a civil penalty and admonish for full compliance in the future, and administratively close the committee. Motion carried.

John Hulsizer/House campaign– It was moved by Sullivan and seconded by Walsh to issue a reprimand, issue a civil penalty and admonish for full compliance in the future, and administratively close the committee. Motion carried.

Matt Messamaker– It was moved by Sullivan and seconded by Walsh to issue a reprimand, issue a civil penalty and admonish for full compliance in the future, and administratively close the committee. Motion carried.

Jan Alderton– It was moved by Sullivan and seconded by Walsh to issue a reprimand, issue a civil penalty and admonish for full compliance in the future, and administratively close the committee. Motion carried.

Molly Regan– It was moved by Sullivan and seconded by Walsh to issue a reprimand, issue a civil penalty and admonish for full compliance in the future, and administratively close the committee. Motion carried.

Vicki Ryan– It was moved by Sullivan and seconded by Walsh to issue a reprimand, issue a civil penalty and admonish for full compliance in the future, and administratively close the committee. Motion carried.

Debra Thornton– It was moved by Sullivan and seconded by Walsh to issue a reprimand, issue a civil penalty and admonish for full compliance in the future, and administratively close the committee. Motion carried.

Reike Plecas– It was moved by Sullivan and seconded by Walsh to issue a reprimand, issue a civil penalty and admonish for full compliance in the future, and administratively close the committee. Motion carried.

Ian Frink– It was moved by Sullivan and seconded by Walsh to issue a reprimand, issue a civil penalty and admonish for full compliance in the future, and administratively close the committee. Motion carried.

Citizens for Common Sense – It was moved by Sullivan and seconded by Walsh to issue a reprimand, issue a civil penalty and admonish for full compliance in the future, and administratively close the committee. Motion carried.

Courtesy Reminders/Waivers of Civil Penalty – It was moved by Sullivan and seconded by Roe that failure to receive a courtesy reminder is not sufficient grounds for a waiver request and that a disclaimer should be noted on the DR-1. Motion carried.

Wapsie Valley School District – It was moved by Walsh and seconded by Sullivan that the document is not express advocacy and to close with no further action. Motion carried. Director is directed to send an educational letter to the editor.

Everyday America – It was moved by Carl and seconded by Walsh that the document is not express advocacy and to close with no further action. Motion carried.

Carlin Hageman– It was moved by Roe and seconded by Sullivan to set down for hearing. Motion carried.

Matt Pfaltzgraf– It was moved by Roe and seconded by Sullivan to set down for hearing. Motion carried.

Debra Satern– It was moved by Roe and seconded by Sullivan to set down for hearing. Motion carried.

Allamakee County Republican Women– It was moved by Roe and seconded by Sullivan to set down for hearing. Motion carried.

Mark Feldmann– It was moved by Roe and seconded by Sullivan to set down for hearing. Motion carried.

Tamara Brunow– It was moved by Roe and seconded by Sullivan to set down for hearing. Motion carried.

Connor Anderson– It was moved by Roe and seconded by Sullivan to set down for hearing. Motion carried.

Student Health Initiative Task Force– It was moved by Roe and seconded by Sullivan to set down for hearing. Motion carried.

Randy Nading– It was moved by Roe and seconded by Sullivan to set down for hearing. Motion carried.

City of Durant – It was moved by Sullivan and seconded by Harper to close with a finding of no probable cause and that a letter be sent to the city and to the chamber. Motion carried.

Le Mars School Bond Election – It was moved by Roe and seconded by Harper that the document is not express advocacy and to close with no action. Motion carried. It was moved by Roe and seconded by Walsh to direct the director to send an educational letter. Motion carried.

Kim Rieger – It was moved by Roe and seconded by Sullivan to close with a finding of no probable cause and to remind Iowa Workforce Development that although the agency has outside employment forms, it is a required to file paperwork with the board when giving permission to its employees to sell/lease goods/services to persons Iowa Workforce Development regulates. Also Iowa Workforce Development should be reminded that effective July 1, 2009, a conflict of interest for outside employment only exists under 68B.2A or the rules of the board. Motion carried.

Jack Reed – It was moved by Roe and seconded by Sullivan to close with a finding of no probable cause and that the director is directed to draft a rule to reflect that a lobbyist may not register on behalf of a client without their consent or on behalf of a fictitious client. Motion carried.

Mike Robinson – It was moved by Sullivan and seconded by Harper to close the matter pending administrative resolution to reporting audits. Motion carried.

Eric Rosenthal – It was moved by Carl and seconded by Harper to defer this matter pending further development. Motion carried.

Jo Ann Kazor – It was moved by Sullivan and seconded by Walsh to approve the proposed settlement with changes. Motion carried.

5. POLICY DECISION

A. Hearing Schedule –It was moved by Roe and seconded by Walsh to adopt a new process that after the formal notice of delinquency for a report not filed on time, if the committee has not come into

compliance within 10 days of that delinquency notice, the committee will then be served with a notice of adjudication and have 10 days from that notice to come into compliance. If the committee is has not filed the required report, the issue will go to the board to decide whether to set down for hearing. Motion carried.

6. PROPOSED RULE

A. Former Officer Turning Over Records – It was moved by Walsh and seconded by Harper to approve the proposed rule. Motion carried.

B. Transferring Funds When \$750 Not Crossed – It was moved by Sullivan and seconded by Walsh to approve the proposed rule. Motion carried.

C. Filing of Subsequent DR-SFA – It was moved by Roe and seconded by Harper to approve the proposed rule. Motion carried.

D. Definition of “Electronic Format/Filing” – It was moved by Walsh and seconded by Harper to approve the proposed rule. Motion carried.

E. Penalty as Administrative Resolution – It was moved by Walsh and seconded by Sullivan to approve the proposed rule. Motion carried.

F. Hearing Cost – It was moved by Carl and seconded by Harper to approve the proposed rule with changes. Motion carried.

G. Hearing Notice – It was moved by Roe and seconded by Harper to approve the proposed rule. Motion carried.

7. PROPOSED RULES TO ADOPT WITHOUT NOTICE

A. Implement Statutory Directives – It was moved by Carl and seconded by Harper to adopt the proposed rules without notice effective July 1. Motion carried.

8. RULES UPDATE

A. Citation Amendments to Rules – For information only. No action needed.

9. ADVISORY OPINION

A. Dates/Times for Filing Campaign Reports – It was moved by Roe and seconded by Harper to approve the advisory opinion. Motion carried.

B. Candidate Interest on Loan to Own Campaign Prohibited – It was moved by Harper and seconded by Carl to approve the advisory opinion. Motion carried.

C. Filing of Updated DR-SFA for New Election – It was moved by Sullivan and seconded by Roe to approve the advisory opinion. Motion carried.

D. Registering a Committee Required – It was moved by Sullivan and seconded by Harper to approve the opinion. Motion carried.

E. Campaign Records and Reports Retained – It was moved by Roe and seconded by Walsh to approve the advisory opinion with changes. Motion carried.

F. Restrictions in Iowa Code section 68B.7 Clarified by Statutory Amendment – It was moved by Roe and seconded by Carl to approve the advisory opinion. Motion carried.

G. Assisting in Securing Grant as State Employee and then Working for Grant Recipient – It was moved by Sullivan and seconded by Harper to approve the advisory opinion. Motion carried.

10. INFORMATION TO THE BOARD

A. Advisory Opinion from House Ethics Committee – For information only. No action required.

B. Agreement to Enforce Local Code of Ethics – It was moved by Sullivan and seconded by Harper to approve with anticipation of becoming law. Motion carried.

11. CIVIL PENALTY REQUEST

A. Cerro Gordo Republicans – It was moved by Sullivan and seconded by Roe to waive two civil penalties. Motion carried.

B. Courtesy Reminder Issue - deny both roe/walsh - carries

1. Committee to Elect Adam Mangold Washington Co Supervisor – It was moved by Roe and seconded by Walsh to deny the request for waiver of a civil penalty assessed for a late-filed January 19, 2009, disclosure report. Motion carried.

2. Committee to Re-elect Sheriff Van Otterloo – It was moved by Roe and seconded by Walsh to deny the request for waiver of a civil penalty assessed for a late-filed January 19, 2009, disclosure report. Motion carried.

12. REQUESTS FOR WAIVER OF CIVIL PENALTIES

A. Statewide Committees (Rule 351 IAC 4.60)

1. Greater Cedar Rapids Area Home Builders – It was moved by Carl and seconded by Harper to waive the civil penalty assessed for a late-filed October 19, 2008 disclosure report. Motion carried.

2. Iowa Retail Federation – It was moved by Roe and seconded by Carl to deny the request for waiver of a civil penalty assessed for a late-filed October 19, 2008 disclosure report. Sullivan opposed. Motion carried.

3. The 49 – It was moved by Carl and seconded by Harper to deny the request for waiver of a civil penalty assessed for a late-filed January 19, 2009 disclosure report. Motion carried.

B. County/Local Committees

1. Clarke County Republican Women – It was moved by Sullivan and seconded by Roe to reduce the civil penalties assessed for late-filed May 19, 2008 and July 19, 2008 disclosure reports. Motion carried.
2. Martin for Supervisor – It was moved by Roe and seconded by Sullivan to waive the civil penalty assessed for a late-filed October 19, 2008 disclosure report. Motion carried.
3. Jim Wunder Supervisor Committee – It was moved by Harper and seconded by Carl to reduce the civil penalties assessed for three late-filed disclosure reports. Sullivan opposed. Motion carried.
4. Committee to Elect Doug Bailey for Supervisor – It was moved by Sullivan and seconded by Roe to waive the civil penalty assessed for a late-filed January 19, 2009 disclosure report. Motion carried.
5. Craig Beytien for School Board – It was moved by Roe and seconded by Walsh to reduce the civil penalty assessed for a late-filed disclosure report. Motion carried.
6. Terry Dahms for Supervisor – It was moved by Roe and seconded by Walsh to deny the request for waiver of a civil penalty assessed for a late-filed 19, 2009 disclosure report. Motion carried.
7. (Kim) Ingerslev for Hospital Trustee – It was moved by Sullivan and seconded by Roe to waive the civil penalties assessed for late-filed disclosure reports. Motion carried.
8. (James) Miksch for Supervisor – It was moved by Carl and seconded by Roe to reduce civil penalties assessed for late-filed May 19, 2008 and July 17, 2008 disclosure reports. Sullivan opposed. Motion carried.
9. (William Thom) Richards for Supervisor – It was moved by Sullivan and seconded by Roe to deny the request for waiver of the civil penalty assessed for a late-filed disclosure report. Motion carried.
10. Committee to Elect (Glen) Thompson – It was moved by Carl and seconded by Harper to waive the civil penalty assessed for a late-filed January 19, 2009 disclosure report. Motion carried.
11. (Roger) Williams for Supervisor – It was moved by Carl and seconded by Roe to deny the request for waiver of a civil penalty assessed for a late-filed January 19, 2009 disclosure report. Sullivan opposed. Motion carried.
12. Citizens for Marion's Future Committee – It was moved by Sullivan and seconded by Roe to waive the civil penalty assessed for a late-filed disclosure report. Motion carried.
13. Yes for Kids First Committee – It was moved by Sullivan and seconded by Roe to deny the request for waiver of the civil penalty assessed for a late-filed disclosure report. Motion carried.

C. County Central Committees

1. Grundy County Democratic Central Committee – It was moved by Roe and seconded by Walsh to waive the civil penalty assessed for a late-filed January 19, 2009 disclosure report. Motion carried.

2. Ida County Democratic Central Committee – It was moved by Roe and seconded by Walsh to waive the civil penalty assessed for a late-filed January 19, 2009 disclosure report. Motion carried.

3. Worth County Democratic Central Committee – It was moved by Roe and seconded by Walsh to deny the request for waiver of the civil penalty assessed for a late-filed January 19, 2009 disclosure report. Motion carried.

D. Out-of-State Committees – walsh/roe recommendations

1. Magellan PAC – It was moved by Walsh and seconded by Roe to deny the request for waiver of the civil penalty assessed for late-filed VSR report. Motion carried.

2. Eli Lilly and Company – It was moved by Walsh and seconded by Roe to reduce the civil penalty assessed for late-filed VSR report. Motion carried.

3. Iowa Renewable Energy PAC – It was moved by Walsh and seconded by Roe to reduce the civil penalty assessed for late-filed VSR report. Motion carried.

E. Lobbyists/Clients (Rule 351 IAC 8.12) -

1. Jessica Braunschweig-Norris – It was moved by Roe and seconded by Carl to deny the request for waiver of the civil penalty assessed for a late-filed lobbyist report. Motion carried.

2. AT&T – Deferred from 02/25/09 meeting – It was moved by Roe and seconded by Walsh to deny the request for waiver of the civil penalty assessed for a late-filed lobbyist client report. Motion carried.

13. VIOLATIONS

A. Late-Filed Statements of Organization (Iowa Code section 68A.201) – Letters of admonishment should be sent to the following committees.

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|---|----------------------------|
| 1. Heckroth for Senate | General Assembly Candidate |
| 2. Committee for (Walter) Skovronski (Scott Co) | City Candidate |

B. Late-Filed Notice of Dissolution (Iowa Code section 68A.402B) – Letters of admonishment should be sent to the following committees.

- | | |
|---|---------------------|
| 1. Committee for (Walter) Skovronski (Scott Co) | City Candidate |
| 2. McQuoid 4 Treasurer (Van Buren Co) | County Candidate |
| 3. Yackle for Governor | Statewide Candidate |

14. ITEMS OF BOARD INTEREST NOT NEEDING ACTION

A. Income Tax Checkoff Reports – Received for information. No action taken.

Carl offered congratulations to director for receiving an award from Iowa State University group for being a great public servant.

Chair Albert offered a thank you from the board to Carl for service on board for past six years, for striving for a fair and steady hand.

A commendation to Carl was read and presented by Harper on behalf of the board.

15. ADJOURNMENT – The meeting was adjourned at 2:37 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Meghan Van Wyk". The signature is written in a cursive, flowing style.

Meghan Van Wyk
Secretary